(b) and (c) Under the Fruit Products Order, 1955 fruits processing units are required to take licence for setting up their units. The setting up of fruit processing units enable higher value addition, enhancement of shelf life and reduction in wastage of farm produce. This in turn helps the farmers to earn better and realise more remunerative prices for their produce. The Government has, therefore, been encouraging setting up of food processing units in the country through provision of financial assistance for setting up/modernisation/technology upgradation of food processing units, setting up cold chain and storage facilities for horticultural and other products in the country.

The Ministry has taken several initiatives in the Eleventh Plan for the promotion of food processing industries. It proposes to implement a revamped Scheme for Infrastructure Development, in the Eleventh Plan which envisages providing financial assistance for setting up of thirty Mega Food Parks in the country during Eleventh Five Year Plan period. The scheme aims to provide a mechanism to bring together farmers, processors and retailers and link agricultural production to the market and the processing industry so as to ensure maximization of value addition, minimization of wastages and improving farmers' income. Mega Food Park envisages a well-defined agri/horticultural—processing zone containing state of the art processing facilities with support infrastructure and well established supply chain. The primary objective of the scheme is to facilitate establishment of an integrated value chain, with processing at the core and supported by requisite forward and backward linkages. Under the scheme, financial assistance in the form of grant-in-aid upto 50% of the project cost in general areas and upto 75% of the project cost in special category states subject to a maximum of Rs. 50.00 crore or the cost of approved facilities, whichever is lower, has been envisaged for all implementing agencies. Under the Infrastructure Development Scheme, it is also envisaged to give a grant of upto Rs. 15 crores for modernization of abattoirs, and upto Rs. 10 crores for the Cold Chain.

It has also been proposed to continue assistance in the form of grant to private sector/ public sector organisations through schemes for setting up of Food Testing Labs, Implementation of quality Systems such as hazard Analysis Critical Control Points (HACCP), International Organization for Standardization (ISO) 9000, promotion of Research and Development, capacity building and Human Resource Development and other promotional activities such as organization of workshops, seminars and conferences with higher levels of assistance.

Wastage of fruits and vegetabls

4002. SHRI RAMDAS AGARWAL: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether it is a fact that foodgrains worth Rs. 16,500 crores roughly 10 per cent of the foodgrains produced, is lost due to bad harvesting timing;

(b) whether it is also a fact that 30 per cent of all fruits and vegetables produced, roughly worth Rs. 13,600 crores and Rs. 14,000 crores, respectively go waste due to mismanagement and lack of storage facilities;

(c) if so, what remedial measures Government proposes to take to prevent this huge wastage of foodgrains, fruits, vegetables, etc.; and

(d) what are the losses in this regard during the period upto February, 2008, as compared to the same period of the previous year, year-wise?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) to (d) According to the report of M/s Rabo India Finance Pvt. Ltd., wastage of fruits and vegetables is estimated to be about Rs. 33,000 crores occurring at various stages of handling after harvesting due to fragmented farming, provisions in Agricultural Produce Marketing (Development and Regulation) Act, lack of adequate post-harvest infrastructure, cold chain facilities, transportation, proper storage facilities etc.

For promotion of food processing industries which include fruits and vegetables and grain processing, financial assistance is provided by Ministry of Food Processing Industries in the form of grant under the Scheme of Technology Upgradation/Modernization/ Establishment of food processing industries. Under this Scheme, the Ministry extends financial assistance to food processing units in the form of grant-in-aid @ 25% of the cost of Plant and Machinery and Technical civil works subject to a maximum of Rs. 50.00 lakhs in general areas or 33.33% subject to a maximum of Rs. 75.00 lakhs in difficult areas. In order to ensure speedy disbursement of the financial assistance, the Ministry has decentralized the disbursement procedure through banks under the Scheme of Technology Upgradation/ Modernization/Establishment of food processing industries *w.e.f.* 01.04.07.

Since one of the major constraints for low level of processing in agro-food products is lack of infrastructure such as cold chain facilities and inefficient supply chain, the Ministry has developed comprehensive Cold Chain Infrastructure Scheme, during the Eleventh Plan, for creating integrated cold chain infrastructure at different levels (i) farm level primary processing centre-cum-cold chain, (ii) collection/aggregation centres and (iii) Strategic Distribution Centres. The initiative being undertaken by the Ministry are aimed at filling the gaps in the supply chain, strengthening of cold chain infrastructure leading to overall development of food processing industries and reduction in wastages.

Ministry has also identified thrust areas for strategic intervention for the Eleventh Plan, by establishing Mega Food Parks, Cold-chain/value addition and preservation infrastructure, capacity building and Human Resource Development by setting up of National Institute of Food Technology, Entrepreneurship and Management (NIFTEM), encouraging Research and Development, establishment/upgradation of Quality Control Laboratories and various promotional activities which would result in increasing the level of processing, value addition of food products, including perishables like fruits and vegetables.

Food processing units in Kanpur

4003. SHRI MAHENDRA MOHAN: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether Government is aware that, due to insufficient number of food processing industries in Uttar Pradesh, lots of farmers have to destroy their crops of potato, tomato etc.;

(b) if so, whether Government has made any assessment, to find out the need of such industries in the areas around Kanpur, so that such products are utilized and farmers also get proper incentives;